

Message Text

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PAGE 01 STATE 041422
ORIGIN ACDA-12

INFO OCT-01 ARA-10 ISO-00 SSO-00 NSCE-00 USIE-00
INRE-00 CIAE-00 INR-10 IO-13 L-03 NSAE-00 EB-08
NRC-05 OES-07 SOE-02 DODE-00 DOE-11 SS-15 SP-02
CEQ-01 /100 R

DRAFTED BY ACDA/NP/NX:LWATSON
APPROVED BY ACDA/NP:CVANDOREN/ARA:RARELLANO
ARA:POAKLEY
ARA:PSTORING
DOE:RSLAWSON (SUBS)
DOE:VHUDGINS
OES:DHOYLE

-----051797 162122Z /61

O 162039Z PEB 78
FM SECSTATE WASHDC
TO AMEMBASSY MEXICO IMMEDIATE

C O N F I D E N T I A L STATE 041422

E.O. 11652: GDS

TAGS: TECH, ENRG, MX, US

SUBJECT: URANIUM SHIPMENTS TO MEXICO

REFS: (A) MEXICO 1685; (B) MEXICO 1762

1. IN FOLLOWING UP ON PRESS GUIDANCE OF JANUARY 31,
EMBASSY SHOULD DRAW ON FOLLOWING INFORMATION WHEN DIS-
CUSSING THE ISSUE OF URANIUM SHIPMENTS WITH APPROPRIATE
GOM OFFICIALS.

A. THE CURRENT REQUEST FOR URANIUM FOR LAGUNA VERDE IS
UNDER CONSIDERATION BY THE EXECUTIVE BRANCH, WHICH MUST
MAKE A RECOMMENDATION TO THE NUCLEAR REGULATORY COMMISSION.
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THE NRC IS AN INDEPENDENT REGULATORY BODY, BUT IT GIVES
GREAT WEIGHT TO THE EXECUTIVE BRANCH'S VIEW. NO DECISIONS
HAVE YET BEEN MADE ON THE LICENSING OF THIS FUEL, BUT THIS
PERIOD OF CONSIDERATION IS NOT UNUSUAL FOR INITIAL CASE
LICENSE APPLICATIONS.

B. IN THIS CONTEXT, THE VISIT OF THE PHYSICAL SECURITY TEAM IS KEY TO US POLICY AND ONE WAY OF IMPLEMENTING PENDING LEGISLATION WHICH REQUIRES ASSURING ADEQUATE SECURITY ON FACILITIES BEFORE WE CAN FULFILL OUR CONTRACTUAL COMMITMENT. AS YET, NO DATE HAS BEEN SET FOR THE

VISIT OF THE PHYSICAL SECURITY TEAM. EMBASSY SHOULD EXPLAIN TO APPROPRIATE OFFICIALS NOT TO CONFUSE THE PHYSICAL SECURITY TEAM WITH THE ISSUE OF SAFEGUARDS WHICH IS AN IAEA MATTER. THE US IS REQUIRED TO ASSURE ITSELF THAT ADEQUATE PHYSICAL SECURITY MEASURES ARE TAKEN AND FEEL THAT THE MEXICANS SHOULD BE EQUALLY INTERESTED IN ASSURING THE PHYSICAL SECURITY OF THEIR FACILITIES. THE TRIP SHOULD NOT BE SEEN AS AN INSPECTION TRIP, BUT AS AN OPPORTUNITY TO EXCHANGE VIEWS AND INFORMATION ON PHYSICAL SECURITY ISSUES AND CARRIES WITH IT THE RECIPROCAL OPPORTUNITY FOR THE MEXICANS TO VISIT FACILITIES IN THE US. IMPORTANTLY, THESE TRIPS HAVE BEEN CARRIED OUT ALL OVER THE WORLD AND IS NOT SINGLING MEXICO OUT FOR SPECIAL ATTENTION IN ANY CONTEXT. BEGIN FYI: THE IAEA IS NOT RESPONSIBLE FOR THE CONDUCT OF PHYSICAL SECURITY REVIEWS BUT THEY HAVE ISSUED TECHNICAL GUIDELINES WHICH THE US UTILIZES IN ASSESSING THE SECURITY PROGRAM IN RECIPIENT COUNTRIES. FURTHER, THE IAEA HAS PROVIDED THEIR GOOD OFFICES FOR ONGOING NEGOTIATIONS REGARDING AN INTERNATIONAL CONVENTION IN PHYSICAL SECURITY. END FYI.

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FOR EMBASSY USE ONLY: ADDITIONAL PROBLEM ARISES ON THE QUESTION OF LICENSING FUEL SHIPMENTS. BECAUSE THE MEXICAN REACTORS AND FUEL WERE TRANSFERRED THROUGH A SPECIAL AGREEMENT WITH THE IAEA, WHICH DID NOT ADEQUATELY COVER, INTER ALIA, RETRANSFER AND REPROCESSING RIGHTS, THE MEXICANS WILL HAVE TO MAKE SOME ADDITIONAL ASSURANCES IN ORDER TO SATISFY EXISTING POLICY AND PENDING US LEGISLATION, BEFORE THE FUEL CAN BE DELIVERED. THERE ARE FOUR WAYS IN WHICH THE MEXICANS MIGHT SATISFY THIS REQUIREMENT:

-- BY AGREEING TO COVER THE LAGUNA VERDE PROJECT UNDER THE NEW PROVISIONS OF THE GENERAL US/IAEA AGREEMENT, WHICH IS CURRENTLY BEING AMENDED;

-- BY AGREEING TO A NEW US/MEXICO BILATERAL AGREEMENT ASSURING THE US OF ADEQUATE RIGHTS OF PRIOR APPROVAL ON REPROCESSING AND RETRANSFER OF US ORIGIN FUEL;

-- AN EXCHANGE OF NOTES (US/MEXICO) GRANTING THE US RIGHTS ON THE LAGUNA VERDE PROJECT; OR

-- AN AMENDMENT TO THE IAEA/MEXICO AGREEMENT GRANTING THESE RIGHTS. END FOR EMBASSY USE ONLY.

2. EMBASSY SHOULD EMPHASIZE TO GOM THTHAT THE VISIT OF THE PHYSICAL SECURITY TEAM IS NOT AN INDICATION OF DOUBT ON OUR PART AS TO MEXICO'S STRONG STAND ON NON-

PROLIFERATION ISSUES. THE US IS VERY APPRECIATIVE OF TRADITIONAL MEXICAN SUPPORT IN THE AREA OF NON-PROLIFERATION AND OF MEXICO'S CONTINUING EFFORTS TO ENCOURAGE BOTH GLOBAL AND REGIONAL (THROUGH THE TREATY OF TLATELOLCO) SUPPORT IN THIS AREA.

3. THE ISSUE OF ADDITIONAL ASSURANCES WILL ALMOST CERTAINLY PROVE TO BE A TOUCHY ONE WITH THE MEXICANS (AS IT CONFIDENTIAL

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HAS WITH THE YUGOSLAVS, THE ONLY OTHER STATE TO RECEIVE A POWER REACTOR THROUGH THE IAEA0, AND ONE WHICH COULD HAVE SERIOUS NEGATIVE POLITICAL IMPLICATIONS IN OUR DEALINGS WITH THEM. IN PARTICULAR, IF THE ISSUE IS NOT CAREFULLY HANDLED WE RUN THE RISK OF CONTINUED TENSION WITH THE MEXICANS DURING THE UN SPECIAL SESSION ON DISARMAMENT (SSOD) WHEN WE ARE HOPING TO ENLIST THEIR HELP WITH OTHER THIRD WORLD COUNTRIES ON VARIOUS DISARMAMENT AND NON-PROLIFERATION INITIATIVES. WE REGRET ANY CONFUSION OR MISUNDERSTANDING WHICH HAS ARISEN AROUND THIS ISSUE. WE ARE LOOKING FORWARD TO OUR COOPERATION WITH MEXICO IN THIS AREA NAD TO A FULL EXCHANGE OF INFORMATION ON THE VARIOUS ASPECTS AND PROBLEMS PERTAINING TO THE NUCLEAR FIELD.

4. WE WOULD APPRECIATE EMBASSY'S EVALUATION OF CURRENT INFORMATION ON WHERE THIS ISSUE STANDS BOTH IN THE PRESS AND WITHIN THE GOVERNMENT AND LOOK FORWARD TO HEARING EMBASSY RECOMMENDATIONS ON WHAT APPROPRIATE ACTIONS MIGHT BE TAKEN AND WHERE SUCH ACTIONS WOULD BE MOST BENEFICIAL. VANCE

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ORIGIN ACDA-12

INFO OCT-01 ISO-00 /013 R

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DRAFTED BY: ACDA/NP/NX:LWATSON

APPROVED BY: ACDA/NP/NX:RWILLIAMSON

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P 250320Z FEB 78

FM SECSTATE WASHDC

TO AMEMBASSY VIENNA PRIORITY

C O N F I D E N T I A L STATE 041422

USIAEA

FOLLOWING REPEAT STATE 041422 SENT ACTION MEXICO 16 FEB 78

QUOTE C O N F I D E N T I A L STATE 041422

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UNQUOTE VANCE

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*** Current Handling Restrictions *** n/a

*** Current Classification *** CONFIDENTIAL

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: URANIUM
Control Number: n/a
Copy: SINGLE
Draft Date: 16 feb 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE041422
Document Source: CORE
Document Unique ID: 00
Drafter: LWATSON
Enclosure: n/a
Executive Order: GS
Errors: n/a
Expiration:
Film Number: D780072-0477
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197802112/aaaafidl.tel
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Litigation Codes:
Litigation History:
Locator: TEXT ON MICROFILM, TEXT ON-LINE
Message ID: cc519cce-c288-dd11-92da-001cc4696bcc
Office: ORIGIN ACDA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 6
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Previous Handling Restrictions: n/a
Reference: 78 MEXICO 1685, 78 MEXICO 1762
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 18 jul 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3458642
Secure: OPEN
Status: <DBA CORRECTED> gwr 970818
Subject: URANIUM SHIPMENTS TO MEXICO
TAGS: ENRG, TECH, MX, US, TECH
To: MEXICO
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/cc519cce-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
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20 Mar 2014
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